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FISCAL IMPACT REPORT

ORIGINAL DATE 2-2-06

SPONSOR Begaye LAST UPDATED _____ HB 408

SHORT TITLE New Mexico Weavers Marketing Program SB _____

ANALYST Dearing

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY06	FY07		
	\$50.0	Non-Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

New Mexico Economic Development Department (NMEDD)

SUMMARY

Synopsis of Bill

House Bill 408 appropriates \$50,000 from the general fund to New Mexico Economic Development Department for the purpose of establishing a cooperative marketing development plan in order increase world-wide purchases of local New Mexico woven products, through retail and auction sales. This enactment would enable NMEDD to contract with a non-profit cultural asset community development organization to implement this initiative.

FISCAL IMPLICATIONS

The appropriation of \$50,000 contained in this bill is a non-recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of 2007 shall revert to the general fund.

SIGNIFICANT ISSUES

This legislation seeks to develop markets and retail venues for traditional New Mexican woven products. Weaving has been a cultural staple in New Mexico & the southwest since about 800 AD. Woven items from the area are generally of cotton, a crop currently produced commercially

in the southern parts of New Mexico. Pueblo weaving today consists of mantas, including elaborately embroidered examples, sashes of varying widths and weave structures, and the striped blanket descendants of those woven for in the past.

Accordingly, the economic impacts to the New Mexico economy derived through the sale of woven products are expected to increase with enactment of this initiative.

During the Johnson Administration, the economic development department received a grant from the USDA to develop and implement a marketing plan to promote Native American art in Europe. This program was deemed a success in that numerous Native American artisans were provided an opportunity to display and sell their art, and establish business relationships with European merchants.

PERFORMANCE IMPLICATIONS

The economic development department would be required to develop and monitor a professional services contract with a nonprofit cultural asset community development organization, which would include identifying performance measures to determine the success of the program.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

A cooperative marketing development plan initiated through the Economic Development Plan to promote the marketing and sale of New Mexico woven products would not be created. Subsequently, there would be no corresponding increase in the sale of these products.

PD/yr